



# NEWS RELEASE

OFFICE OF THE UNITED STATES ATTORNEY  
WESTERN DISTRICT OF MISSOURI

**TODD P. GRAVES**

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## **JURY CONVICTS REAL ESTATE INVESTOR OF REAL ESTATE FRAUD**

**KANSAS CITY, Mo.** – Todd P. Graves, United States Attorney for the Western District of Missouri, announced that a real estate entrepreneur was convicted by a federal trial jury for orchestrating a property flipping scheme and mortgage fraud conspiracy.

**Brent Michael Barber**, 41, of Belton, Mo., was found guilty today of his role in a conspiracy to defraud two mortgage lending companies of hundreds of thousands of dollars.

“**Brent Barber** manipulated people, took advantage of those who were vulnerable, and used deceit to enrich himself at the expense of others,” Graves said. “He forged documents and lied on loan applications in an unsuccessful property-flipping scheme, and with this jury verdict, he is being held accountable for his unlawful actions.”

Following the presentation of evidence in **Barber’s** trial, the jury in U.S. District Court deliberated for approximately six hours before returning its verdict to U.S. District Judge Fernando J. Gaitan, ending a trial that began on Nov. 28, 2005.

**Barber** was found guilty of charges contained in an Oct. 7, 2004, federal indictment. Co-defendant **Vernon David Williams**, 58, of Kansas City, pleaded guilty to conspiracy and wire fraud on July 18, 2005..

**Barber** was involved in the business of buying and selling real estate, and did business under the names KC Properties and KC Securities LLC. **Williams** was a loan employee of mortgage brokerage companies in Merriam, Kan., and Lee’s Summit, Mo.

The jury found that **Barber** conspired with **Williams** to defraud MILA, Inc., a mortgage lending company with its principal office in Mountlake Terrace, Wash., and Finance America LLC, a mortgage lending company with its principal office in Irvine, Calif., from July 24, 2004,

to Sept. 16, 2004.

As part of that conspiracy, **Barber** and **Williams** attempted to borrow \$285,000 from MILA in connection with the fraudulent purchase of a duplex at 3741 Locust in Kansas City, Mo. In furtherance of the conspiracy, **Barber** created a trust in the name of the true owner in order to conceal the additional transfer (the “flip”) of the property on the day of closing for a greater price, knowing that MILA would not have approved the loan if it had known the seller acquired the property the same day it sold the property.

“If his plan had gone as he hoped,” Graves said, “he would have made a \$40,000 profit. The fact that he didn’t get away with it, doesn’t expunge his criminal behavior.”

**Barber** and **Williams** prepared and provided material false, fraudulent and misleading loan applications and other documents regarding the loans.

“**Barber** created a phony trust to conceal the fact that he was flipping property – buying low then immediately selling at a profit to a person who was unemployed and couldn’t afford to pay the mortgage,” Graves said. “He knew the mortgage firm wouldn’t approve the transaction, so he tried to conceal it behind false and fraudulent documents.”

In addition to the fraudulent purchase of the property at 3741 Locust, the jury also found **Barber** guilty of his involvement in a second fraudulent real estate transaction in August 2004, in which he and **Williams** attempted to receive a \$158,251 loan from Finance America on behalf of another person to purchase property at 1013 Brookside Drive in Raymore, Mo.

**Barber** was found guilty of submitting a fraudulent loan application that contained false employment and income information. Rent checks were provided as proof that the proposed borrower had paid rent for the last several months. The submissions were each sent in the form of a facsimile transmission and a wire transfer, Graves said. **Williams** admitted that he and **Barber** both participated in the wire transfer, which ultimately caused Finance America to fund the loan by having the money sent from Deutsche Bank Trust Co. to United Missouri Bank in Kansas City on Aug. 18, 2004.

Under federal statutes, Graves explained, **Barber** may be subject to a maximum sentence of up to 20 years in federal prison without parole, plus a fine up to \$1 million. **Williams** may be subject to a maximum sentence of up to 10 years in federal prison without parole, plus a fine up to \$500,000.

This case is being prosecuted by Assistant U.S. Attorney Linda Parker Marshall. It was investigated by the Federal Bureau of Investigation and the Criminal Investigation Division of the Internal Revenue Service, and the Office of the Inspector General, Housing and Urban Development.

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This news release, as well as additional information about the office of the United States Attorney for the Western District of Missouri, is available on-line at  
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